MESINIAGA BERHAD
BOARD CHARTER AND GOVERNANCE PRACTICES

Table of Contents

1. Purpose

This Board Charter sets out the authority, roles, responsibilities, governance principles and operating procedures of the Board of Directors ("Board") of Mesiniaga Berhad ("the Company") and, where applicable, the Group. It serves as a key reference for Directors in discharging their fiduciary duties, stewardship responsibilities and oversight role.

This Charter is prepared in accordance with the Companies Act 2016, Bursa Malaysia Securities Berhad Listing Requirements, the Malaysian Code on Corporate Governance ("MCCG") and other applicable laws and regulations. It shall be read together with the Company's Constitution and other governance policies adopted by the Company.

2. Roles and Responsibilities of the Board

The Board is collectively responsible for the leadership, governance and long-term success of the Company. In fulfilling its stewardship role, the Board shall:

- Set, approve and oversee the Group's strategic direction, business plans and key policies to support sustainable long-term value creation.
- Establish the Group's risk appetite and ensure the existence of an effective enterprise risk management framework to identify, assess, manage and monitor material financial and non-financial risks.
- Oversee the adequacy and integrity of the Group's systems of internal control, risk management, compliance and internal audit.
- Review and ensure the integrity and transparency of financial and non-financial reporting, including sustainability and integrated reporting.
- Ensure Directors are able to understand financial statements and form a sound view on the information presented.
- Oversee the performance of Management and monitor the implementation of approved strategies and plans.
- Ensure the Group has an effective succession planning framework for the Board, Chairman, Chief Executive Officer ("CEO") and senior management.

2. Roles and Responsibilities of the Board (Cont'd)

- Promote a sound corporate culture, ethical values and standards of conduct across the Group and set the tone from the top.

- Oversee the Group's sustainability and environmental, social and governance ("ESG") agenda, including climate-related and other material sustainability risks.

- Safeguard the interests of shareholders while taking into account the interests of other relevant stakeholders.

- Ensure effective communication and engagement with shareholders, stakeholders and regulators, where appropriate.

- Oversee crisis management, business continuity and organisational resilience frameworks.

3. Board Composition, Diversity and Independence

The Board, through the Nomination and Remuneration Committee, shall ensure an appropriate balance of skills, experience, independence and diversity to enable effective deliberation and decision-making.

The Board recognises that diversity, including gender, age, ethnicity, professional background and experience, enhances Board effectiveness in accordance with the Board Diversity Policy.

The Board shall ensure that the composition and independence of Directors comply with applicable regulatory and listing requirements.

Directors shall meet the Directors' Fit and Proper Policy, including integrity, competence, experience, financial soundness and time commitment. Directors are expected to devote sufficient time and attention to the affairs of the Company.

Directors shall notify the Chairman prior to accepting any additional directorships or commitments that may affect their ability to discharge their duties effectively.

4. Chairman

The Chairman provides leadership to the Board and is responsible for ensuring its overall effectiveness and proper governance.

The Chairman shall:

- Lead the Board in setting its agenda and ensuring that strategic, governance and risk matters receive adequate attention.
- Facilitate effective Board discussions and encourage active, independent and constructive participation by all Directors.
- Ensure the Board operates within its authority and governance framework;
- Promote a culture of openness, debate and mutual respect.
- Act as the principal interface between the Board and Management.
- Ensure effective communication with shareholders, supported by Management where appropriate.

5. Chief Executive Officer

The CEO is responsible for the day-to-day management of the Group and the implementation of strategies, plans and policies approved by the Board.

The CEO is accountable to the Board for the operational and financial performance of the Group and for fostering a strong organisational culture aligned with the Group's values.

6. Duties and Responsibilities of Directors

Each Director shall:

- Act in good faith and in the best interests of the Company.
- Exercise due care, skill and diligence.
- Avoid conflicts of interest and comply with the Company's Conflict of Interest Policy.
- Maintain confidentiality of information.
- Uphold the highest standards of integrity, professionalism and ethical conduct.
- Continuously enhance their knowledge and skills relevant to his/her role as Directors.

7. Independent Directors and Senior Independent Director

Independent Directors provide objective judgement, constructive challenge and effective checks and balances within the Board in accordance with the Independence of Directors Policy.

The Board shall appoint a Senior Independent Non-Executive Director ("SID") who shall:

- Act as a sounding board for the Chairman.
- Serve as an intermediary for other Directors when necessary.
- Be available as an alternative point of contact for shareholders and stakeholders with governance-related concerns.
- Lead engagement where the Chairman is conflicted.

8. Board Committees and Delegation of Authority

The Board may establish committees to assist in the discharge of its responsibilities. Each committee shall operate under clearly defined terms of reference approved by the Board.

Currently, the Board has established the Audit & Risk Management Committee (ARMC) and the Nomination and Remuneration Committee (NRC).

The Board retains overall responsibility for matters delegated to its committees. Matters reserved for the Board include, but are not limited to:

- Approval of strategy, business plans and annual budgets.
- Major investments, capital expenditure and funding decisions.
- Material acquisitions, disposals and corporate transactions.
- Capital management and dividend policy.
- Appointment, succession and remuneration of Directors and the Chief Executive Officer.
- Risk appetite and key risk policies.
- Approval of key governance, sustainability and ethics policies.
- Any matter having a material impact on the Group.

9. Ethics, Conduct and Whistleblowing

The Board shall promote a culture of ethical conduct, integrity and compliance throughout the Group.

Directors shall comply with the Directors' Code of Conduct and Ethics, Conflict of Interest Policy and Anti-Bribery and Corruption Policy.

The Board shall ensure that effective whistleblowing mechanisms are in place, including procedures for independent investigation and protection of whistleblowers from retaliation.

10. Board Effectiveness and Evaluation

The Board shall undertake an annual evaluation of the effectiveness of the Board, its committees and individual Directors conducted under the oversight of the Nomination and Remuneration Committee.

The outcomes of the evaluation shall be used to enhance Board effectiveness, identify training needs and support succession planning.

11. Directors' Induction, Training and Development

Newly appointed Directors shall undergo a structured induction programme to familiarise them with the Group's business, strategy, risks and governance framework.

All Directors shall participate in continuous professional development programmes to remain current on regulatory developments, industry trends, sustainability matters and emerging risks.

12. Access to Information and Independent Advice

The Board is supported by the Company Secretary, who advises the Board on governance, regulatory and statutory matters and supports the effective functioning of the Board.

Directors shall have unrestricted access to Management, Company records and relevant information.

Where necessary, Directors may seek independent professional advice at the Company's expense in the furtherance of their duties, subject to approval by the Chairman or the Board.

13. Review

This Board Charter shall be reviewed periodically by the Board to ensure its continued relevance, effectiveness and alignment with regulatory requirements and best practices.

[End of Charter]